

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - LIDCAP – Economic Support Scheme – Write off Margin Money Term loan of an amount of Rs.12,80,086/- sanctioned by LIDCAP to 252 Master Trainees –Orders – Issued.

INDUSTRIES & COMMERCE (MSME) DEPARTMENT

G.O.Ms.No. 124.

Dated:30.08.2012.

Read the following:-

- 1) From the VC&MD, LIDCAP, Hyderabad, Lr.No.LIDCAP/Trng/ Ananathapur/ 2003-04, dt:5.10.2009
- 2) From the VC&MD, LIDCAP, Hyderabad, Lr.No.LIDCAP/Trng/ Ananathapur/ 2003-04, dt:23.4.2010.
- 3) From the VC&MD, LIDCAP, Hyderabad, Lr.No.LIDCAP/Trng/ Ananathapur/ 2003-04, dt:3.2.2012.

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ORDER:

In the reference 1st read above, the Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited (LIDCAP), Hyderabad has stated that during the years of 2004-06, Leather Industries Development Corporation of Andhra Pradesh Limited has sponsored 1,031 Nos. of leather artisans for training at different Leather Technical Institutes in India for (Six weeks) upgradation of skill and to promote and develop the living standards of SC Leather Artisans in the State. The Project cost for each Master Trainee of Rs.20,000/- (Rupees Twenty Thousand Only) is borne by SC Corporation as subsidy and Margin Money and the bankers were expected to sanction Rs.6,000/- (Rupees Six Thousand Only) as revolving loan to each Master Trainee. But the Bankers were not coming forward to sanction revolving loan. The Board of Directors, Leather Industries Development Corporation of Andhra Pradesh Limited at their 145th and 146th Board Meeting held on 8.9.2004 & 30.12.2004 have resolved permitting the Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited to release revolving loan amount of Rs.6,000/- (Rupees Six Thousand Only) @6% interest to each Master Trainee. Accordingly the Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited has sanctioned an amount of Rs.15,12,000/- (Rupees Fifteen Lakhs and Twelve Thousand Only) to 252 Master Trainees in different Districts during the years 2004-06. So far an amount of Rs.3,34,828/- (Rupees Three Lakhs Thirty Four Thousand Eight Hundred and Twenty Eight Only) was recovered from the Master Trainees and the balance amount of Rs.11,77,172 /- (Rupees Eleven Lakhs Seventy Seven Thousand One Hundred and Seventy Two only) is due to Leather Industries Development Corporation of Andhra Pradesh Limited. In view of the announcement by the former Hon'ble Chief Minister, Leather Industries Development Corporation of Andhra Pradesh Limited has requested for permission to write off out standing revolving loan amount of Rs.11,77,172/- (Rupees Eleven Lakhs Seventy Seven Thousand One Hundred and Seventy Two Only).

2) In the reference 2nd read above, the Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited has subsequently stated that the revolving loan released to Master Trainers during the years 2004-05 & 2005-06 is as follows:-

Sl. No.	Name of the District	Release of loan to Master Trainers	Amount Sanctioned Rs.
1	Medak	54	3,24,000.00
2	Warangal	42	2,52,000.00
3	Chittoor	16	96,000.00
4	Nalgonda	21	1,26,000.00
5	Ananthapur	35	2,10,000.00
6	Karimnagar	30	1,80,000.00
7	Nizamabad	18	1,08,000.00
8	Krishna	36	2,16,000.00
TOTAL		252	15,12,000.00

3) An amount of Rs.1,02,914/- have been recovered from the Master trainees and an amount of Rs.1,29,000/- have been returned back to Leather Industries Development Corporation of Andhra Pradesh Limited by the Executive Directors, District SC Society. Total amount received by Leather Industries Development Corporation of Andhra Pradesh Limited is Rs.2,31,914/-. The Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited, in the reference 2nd read above has also informed that the recovered amount from the Master trainees and the amount returned back to Leather Industries Development Corporation of Andhra Pradesh Limited by Executive Directors, District SC Society was shown as Rs.3,34,828/- instead of Rs.2,31,914/- by oversight in reference 1st read above. The Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited, has further informed that Leather Industries Development Corporation of Andhra Pradesh Limited has not obtained the outstanding revolving loan amount of Rs.12,80,086/- from the SC Corporation vide reference 3rd read above. The details of Leather Industries Development Corporation of Andhra Pradesh Limited sanctioned and recovered amount is as follows to Master Trainees as revolving Loan which is recoverable.

	Amount Rs.
Sanctioned amount	15,12,000 /-
Refunded & Recovered amount	2,31,914 /-
Total amount for approval to write off	12,80,086 /-

4) The Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited, has therefore requested in the letters 2nd & 3rd read above, the Government to accord approval to write off the loan amount of Rs.12,80,086/- (Rupees Twelve Lakhs Eighty Thousand and Eighty Six Only) as per the announcement of former Hon'ble Chief Minister.

5) Government, after careful examination of the proposal of Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited decided to Write off Margin Money Terms loans of an amount of Rs.12,80,086/- (Rupees Twelve Lakhs Eighty Thousand and Eighty Six Only) sanctioned by Leather Industries Development Corporation of Andhra Pradesh Limited to 252 Master Trainees subject to accommodating the loss to the funds of Leather Industries Development Corporation of Andhra Pradesh Limited without seeking additional funds.

6) The Vice Chairman & Managing Director, Leather Industries Development Corporation of Andhra Pradesh Limited shall take necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SABYASACHI GHOSH,
SECRETARY TO GOVERNMENT (FP).

To

The Vice Chairman & Manager Director, Leather Industries Development Corporation of Andhra Pradesh Limited, Hyderabad.

The Pay and Accounts Officer, Andhra Pradesh, Hyderabad.

The Director of Treasuries & Accounts, Andhra Pradesh, Hyderabad.

The Accountant General (A&E), Andhra Pradesh, Hyderabad.

Copy to:

The Finance (Budget Computers) Department

The Finance (Expr.I&C) Department.

The P.S. to Hon'ble Minister (H&T, SM, SSI, KVIB)

The P.S. to Principal Secretary to Government (FP), Industries & Commerce Department.

SF/SC

// FORWARDED : : BY ORDER //

SECTION OFFICER.